Previous references.

B · 2609 : 881-2 B. Jan⁴. 10

1910.-11

(Banking)

File No. 22-10

Serial Nos. 1-2

Later references.

B · Jan 12 · 881-2 · B · 16-11 ·

C · 519-26 (1-2)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-2.

Part B. for January 1911

SUBJECT.

Annual Report on the working of the Agricultural Banks in the State during 1909-10.

---

1. From the Inspector of Agricultural Banks
No. 322/A·B·81 d. 7. 10. 10.
Forwards the report on the working of the agricultural Banks during 1909-10.

2. To the Inspector of agricultural Banks & D·cs of Districts & Comptroller
No. R. 3635-44 d. 4. 1. 11
Records the report with certain observations.

G.R.S.11]

1910-11/5

GENERAL AND REVENUE SECRETARIAT

(Banking

NOTES.

File No. 20

FILE HEADING.

Agricultural Bank at Chamarajanagar

From

The Inspector of Agl Banks.

No. 298/AB29 Dated 17.9.10 Received 19.9.10

Diary No. 1198 | Enclos. 5 | Spare Copies | Serial No. 1

BRIEF ABSTRACT OF LETTER.

Submits for orders correspondence relating to the proposal for the revival of the above Agl Bank.

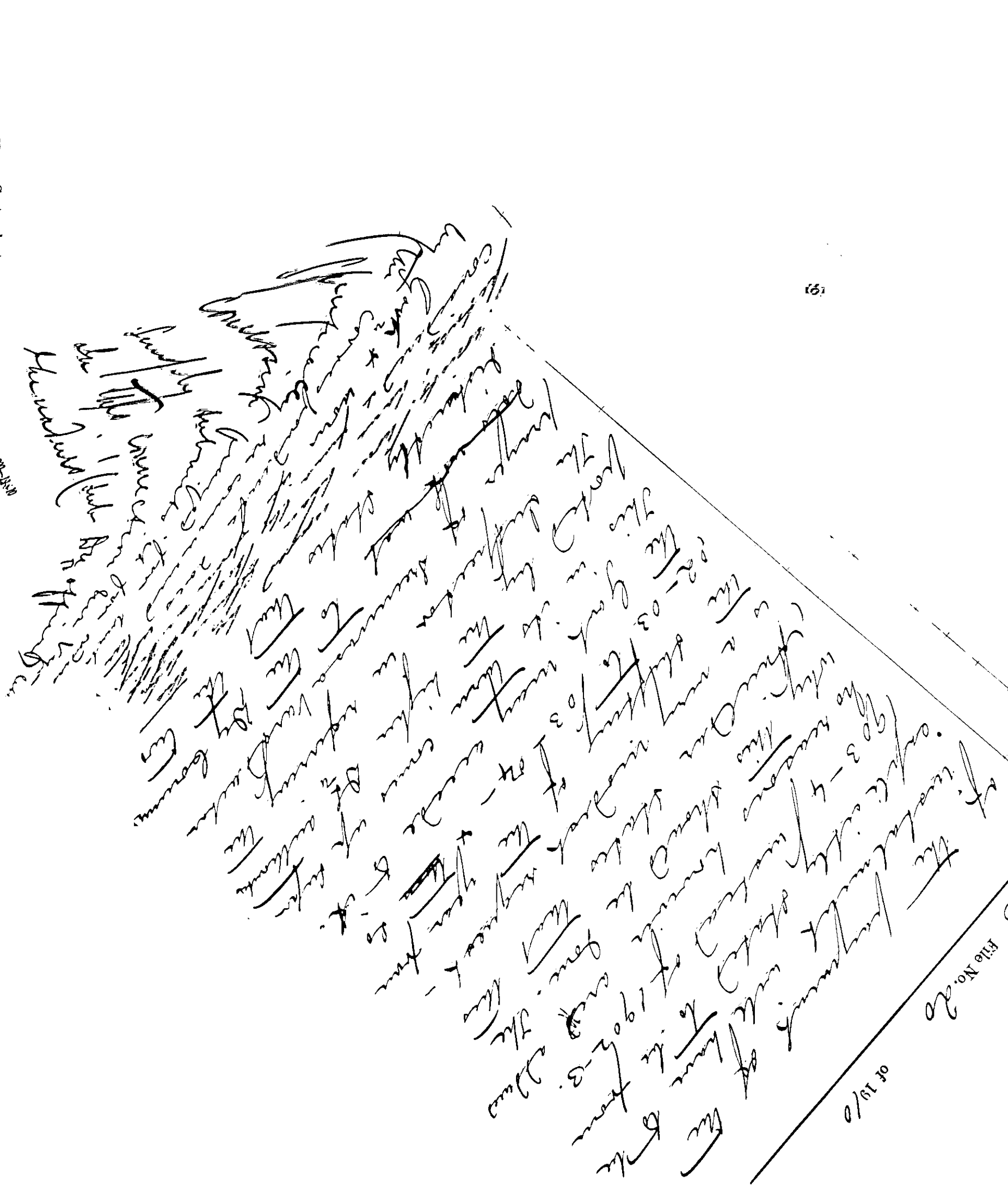
NOTES AND ORDERS.

Y

The memo prepared on the subject by the Inspector of Agl Banks for the Dy Commr Mysore gives a full history of the facts of the case. The whole

NOTES—First sheet

GPB—30,000—3-4-07



Serial No.

of the payment of the instalment will have to be explicitly stated to be from 1903-4 instead of 1902-3. No reasons however are adduced why this should be done. The Auditor states that this is a very modest request - the shifting of the year from 02-03 to 03-04 - & so the Govt may accede to it. This in its turn comes up supported by the higher Dt authorities. The Inspector in referring the prayer of Sreenivasa Varadachar ~~does not~~ to the Dy Commr distinctly states that the two points now urged by the petnr have been ~~dfinitely~~ considered & finally disposed of by Govt & now in forwarding the correspondence does not specifically recommend the concession prayed for but simply submits it for orders. In this connection the Vythinadien's (sub Dt officer) letter

GPB—50,000—12-6-10

Serial No.

J

& 6th Decr ob to the Dy Commr on the subject gives very interesting particulars. It is there stated that ~~the Bank~~ it was agreed with the Bank at the outset that the loan of 35000 Rs should be returned to Govt in the 9th & 10th years in two equal instalments — but this was subsequently cancelled by the order of the 10th Novr 1902 & the amount was ordered to be paid in 12 equal instalments commencing from 1902-03 — which order was appealed against by the members & Govt declined to interfere in the matter. (para 3 of G.O No H 1344 of 25-11-~~03~~ also the Dy Commrs letter No 573 of 17-3-07 in which he states if this prayer is allowed it would be 13 instalments instead of the 12 granted by Govt.

K

3 Each annual instalment comes to Rs 2916.10. & commencing

GPB—50,000—12-8-10

Serial No.

from 1902-03 eight instalments have to be adjusted up to now which comes to Rs 23332-6-8 The Registrar states that up to date they have paid 17499-0-0 Leaving a balance of Rs ~~5833-6-8~~ yet remaining to be adjusted. Hence it would seem that even if their prayer to have the year 03-04 taken as the commencement for payment of instalments is acceded to they would still be in arrears to nearly 3000 Rs. Submitted for orders.

Sd 7/10.

From Srinivasa Varadachar,
President of the Bank
Petition dy 19-3-1910.

Gives details of the amount due, amount paid therefor, and prays for orders reviving the transactions of the bank & allowing the balance of the Govt loan to be paid in the proper time.

4 From the petition it will be seen that the total amount paid so far towards the Govt loan is Rs 21755/- leaving a balance

GPB—50,000—12-8-10

Serial No.

of Rs 132457. The interest due from the bank has been paid in full. (Vide Taluk Treasury certificate no 16031 d/17.9.1910)

5 If the instalments are considered to have commenced from the year 1902-3, the bank will be in arrears to the extent of Rs 1578-5-4 while if however they are taken to have begun from 1903-4, a sum of Rs 1338-5-4 stands to the credit of the bank as having been overpaid.

6 The president refers to the Amildar's report recommending certain concessions, and prays that, in view of the present satisfactory condition of the affairs of the bank, orders may be issued permitting them to carry on the transactions as before with the bank, and to pay the remaining instalments of the Govt loan in the proper time (apparently reckoning the instalments from the year 1903-4).

7 Submitted with the references quoted in the petition, as ordered by the Dewan.

All that perhaps can now be done is to permit time without rescinding the order but keeping it in abeyance. And so long as the Bank is regular in making its payts it can go on working but the moment they make a default the order may be made absolute (see letter)

NOTE— Contn. sheet.

GPS—50,000—12-8-10

Serial No.

9 Please put up Draft Sanctioning the D.C's recommendations - The bank is not quite bad as agrl banks go -

CN
2/11/00

Draft submitted
put
3/11
WR 4/11/00

4/11.00

1. But what about the legal aspect of the case. Can a Company once wound up like this be revived again? Please look up Companies Regn & Articles of association etc & note

CSS
3/12/00

B.R.
3.12.0

Subd.

11 N. does not appear that a Company once wound up or even begun to wind up can be revived again. None of under section 175 of the Companies Act the Corporate Capacity of a Company continues until it is finally ~~passed~~ wound up and dissolved, its powers seem to be limited to the exercise of only such

GPB—55,900—27-4-99

18

Serial No.

acts as pertain only to the beneficial winding up of its affairs.

12 Article 75 of the articles of association though somewhat peremptory in its nature as regards the winding up of a Company after an order of Govt to that effect is also cautiously qualified by stating that the winding up should be consistent with law. So to rank is it the Company

13 With regard to the Bank in question, however, it does not appear that it has been wound up. Ever since the order of Govt to wind it up, the Bank has been keeping on asking to defer the hold the order in abeyance and for other concessions, some of which were granted. no steps seem as a matter of fact to have been actually taken in the matter of winding up. The statement in the correspondence of the Taluk and other authorities that the Company had been wound up seems to relate to merely the Govt order directing it to be done.

NOTE—Contn. sheet.

GPB—50,000—27.4.09

Draft 5
22/12/10

Bx III may be consulted.

Serial No.

Branch III for favour of remarks

4/23-12-10

Subd for orders.

S.N.a
31/12/10

4 It is not quite clear from the papers whether the Bank has passed a resolution that it be wound up. If such a resolution has been passed then it would not be in accordance with law to "revive" it now or to continue the transactions except for winding up its affairs. (Please see Sec[s] 174 & 175 of the Companies' Reg[g]

15 Even if such a resolution has not been passed the legal effect does not seem to be different. Article 45 of the Articles of Association of the Bank provides that "if Govt directs the recovery of loans made by it to the Bank on the ground that the affairs of the Bank are in an unsatisfactory Condition, all further transactions shall be stopped". These directions must be adhered to, as the members of the Bank

NOTE—Contn. sheet.

GPB—50,000—13-5-08

G.R.S. 12]
General and Revenue Secretariat.

B File No. 20 of 1910

Serial No.

are under the Companies Regn bound by the Articles of Association (See Sec 65 of the Regn). The further arrangement referred to in article 75 (Vide foot note supra) is only for the purpose of winding up the affairs of the Bank and not for the continuance of its business as it was prior to the winding up.

16 It is understood that it has been decided to allow the agricultural Banks in the State to get themselves registered as Co-operative Societies. The feasibility of this alternative in respect of this Bank may perhaps be also considered.

17 The Govt Advocate may also be consulted.

To B II

Bond this cannot be done except Bond from as this case the "winding" up of the old Bank seems to be necessary.

9/4/11

No H.63 of 11-1-11
En 2 pkts.

18 forwarded unofficially to the Govt Advocate for opinion.

By order
[illegible]
for Secy to Govt
11/4/11

Subd
with copies

NOTE—Contn. sheet.

GPB—5000—27-4-09

10-12-11

G.R.S. 12]
General and Revenue Secretariat.

File No. 20 of 1910

Serial No.

1936
20-1-11.

II
1 1 4

19 A mere demand by Government to pay up the --- amount advanced by them does not amount to winding up of the Bank. When such a demand is made, the - Bank is bound not to enter into any fresh trnasactions under para 75 of the Articles of Association. This only intended to enable the Bank to meet the Government demand promptly. If the Government --- demand is met or otherwise adjusted, there is nothing to prevent the Bank from resuming its business and entering into fresh transactions. Nor is there anything in the way of Government to withdraw the - demand once made and grant the Bank time to pay up the loan due. Unless an order for winding up has been passed by Court or unless a resolution to wind up voluntarily has been passed by the Company or - Bank, a Bank may, in my opinion, resume transactions and continue the business as stated above.

20. 1. 1911

A. Narayana Rao
Govt Advocate.

Secy.
Ad. (15)
21/1/11

21/1/11 Mr. Draft already prepared may now be sanctioned perhaps (pre-sec)

Dewan

21.1.11

10003

Note—Contn. sheet. 11

1. 2.

GPB—55,000—27-4-10

Draft 31/1/11

Serial No.

Draft approved by Mr Diwan
16/2/11

Issue
Ch
16/2/11

3 To the Inspection of Agrl Banks
" Comptroller.
Ltr H 4457-8 d 23-2-11
Accepts the recommendation of the Dy Commr in favour of the Bank & rescinds the order d 12th July 06 to wind up the Bank.

H 4457 d 23-2-11
Copy to Sreenivasa Varadachariar for information.

NOTE— Contn. sheet.

GPB—50,000—12-8-10

OFFICE OF THE REGISTRAR OF

CO-OPERATIVE SOCIETIES IN MYSORE.

No. 298 / A.B.29 Entered as noted in the margin

Dated Bangalore, 15th / 17 September 1910.

From

M. Shama Rao, Esq., M. A.
Registrar of Co-operative
Societies in Mysore.

To

C. S. Balasundaram Iyer, Esq., B. A.
Offg. Secretary to the Government of H.H. the
Maharaja of Mysore, General and Revenue Depts.

Sir,

I have the honor to inform you that the Agent and the President of the Agricultural Bank at Chamarajanagar having personally presented a petition in August 1909 praying for the revival of their agricultural bank directed to be wound up in Government Order No.Fl.300-2/B.17-05-11 dated the 12th July 1906, the opinion of the Deputy Commissioner, Mysore District, was invited in my letter No.236/A.B.29 dated the 6th August 1909. The Deputy Commissioner having expressed his opinion in favor of reviving the bank in his letter No.4280 dated the 5/6th May 1910, a second reference was made to him enclosing for his information a short memo containing a succinct history of the affairs of the bank, requesting him to give his final opinion in the matter, as the bank was again seen to have fallen in arrears of Government dues. His final views have since been received and I submit herewith all the papers connected with the case, as noted in the margin, for such orders as the Government may deem fit to pass in the matter. The Deputy Commissioner is

1. Petition Regd. No.184 A. from the Agent and the President of the Chamarajanagar Agrl. Bank dated 31st July 1909.
2. Copy of my letter No.236/A.B.29 dated 5/7th June 1909 to the Deputy Commissioner, Mysore District.
3. Deputy Commissioner's reply No.4280 dated 6th May 1910 together with its enclosures (six sheets of correspondence) all in original.
4. Copy of my letter No.184/A.B.29 dated 13th August 1910 to Deputy Commissioner, with a copy of its enclosure.
5. Copy of reply No.1018 dated 3rd September 1910 from the Deputy Commissioner.

F. / Rc. / 15 Sep 1910 D 1198

190 -11

From

The Registrar of Co-operative Societies in Mysore.

To

The Offg. Secy. to the Govt. of H. H. the Maharaja of Mysore, Genl. & Rev. Depts.

Dated Bangalore 15th September 1910

Despatched 17

Received

General No. 298

No. Rs. 29

Enclosure No. 5

Submits for orders correspondence relating to the revival of the Agricultural Bank at Chamarajanagar.

GPI—75 reams—25-5-10

is in favor of giving one more chance to the members and this recommendation may, if the Government are pleased be accepted. I beg that such of the papers noted in the margin as are underlined may kindly be returned to this office after the orders of Government are passed.

I have the honor to be,

Sir,

Your most obedient servant,

for Registrar of C. S.
&
Inspector of Agrl. Banks , in Mysore.

B.N.S.

Letter No.236/A.B.29 dated 5/7th August 1909 from the Registrar of Co-operative Societies in Mysore to the Deputy Commissioner, Mysore District.

I have the honor to state that the Agricultural Bank at Chamarajanagar was in arrears of Rs.4,459-6-8 on account of the instalments due up to the end of June 1909. The Agent and the President of the Bank appeared before me on the 31st July 1909 and represented that Rs.1,500 and odd had been paid to the Treasury during that month on account of the arrears of instalments which reduced the arrears due by the Bank on the 1st instant to Rs.2,916-8-10, and this amount tney said was the amount of one instalment which they had been holding back from a long time on the ground that the instalments payable by the Bank should be reckoned from the year 1903-04 instead of 1902-03. They also promised that they would hencefforward punctually pay up the instalments and prayed that the coercive measures that were now being adopted for the recovery of the arrears should be stayed and also permission granted to carry on the transactions of the Bank as before. As these Agricultural Banks are fast disappearing, I think in this case, a chance may be given to the authorities of this Bank to revive it. If you agree with me in this respect, I shall make a proposal to Government to suspend for sometime to come the order winding up the Bank contained in Government Proceedings No.Fl.300-2/B.17-05-11 dated 12th July 1906.

C O P Y

For Registrar of C. S.
&
Inspector of Agricultural Banks in Mysore.

Letter No. 184/A.B.29 dated 13th August 1910 from the Registrar of Co-opefative Societies and Inspector of Agrl.Banks in Mysore to the Deputy Commissioner, Mysore District.

Adverting to your letter No.4280 dated 5/6th instant recommending the revival of the Agricultural Bank at Chamarajanagar. I have the honor to state that some time after your opinion was invited in the matter in this office letter No.236 dated 5/7th August 1909 to which your present communication seems to be a reply, I requested you in my letter No.562/A.B.29 dated the 14th October 1909 in supersession of the letter previous thereto, to instruct the Amildar of Chamarajanagar Taluk to take steps against the recalcitrant members of the bank for the recovery of the Government dues.

The authorities of the bank now desire (1) that the bank may be revived and (2) that the instalments of the Government loan should be allowed to be reckoned from 1903-1904 and not from 1902- 1903. The bank was, as you know, wound up in Government Order No. Fl.300-2/B.17-05-11 dated 12th July 1906. Soon after the passing of this order, the members of the bank petitioned to Government urging the same points as are noted above. After some correspondence on the subject, the Government in their X Order No.2886/B.37-07-2 dated 13th December 1907 declined to sanction the requests of the members. This order of the Govern-ment has been communicated to them in this office No.671 dated 7th January 1908, Thus it will be seen that these two points now urged by the members have already been finally disposed of. If still you are of opinion that the members of the Bank have a good ~~case~~ case, the matter will be submitted to Government for orders. A memo containing a succinct history of the affairs of this bank is enclosed for perusal, to shew how indulgently the members of this bank have been treated though, it is to be regretted, to no purpose.

C O P Y.

E Ramaiah

~~for~~ Registrar of C. S. and
Inspector of Agrl. Banks, in Mysore.

Letter No.1018 dated 3rd September 1910 from the Deputy Commissioner, Mysore District, to the Registrar of Co-operative Societies in Mysore.

In reply to your No.184/A.B.29 dated 12th August 1910, enquiring if I am still of opinion that the Agricultural Bank at Chamarajanagar already wound up- should be given any more chance of revival as prayed for by its members, I have the honor to state that I quite endorse the reasons set forth in your memo and fully agree with you that the members have already had enough of concession and do not deserve, strictly speaking, any more help—utterly indifferent as they &&a have all along been to the warnings so often given them. But the Amildar of Chamarajanagar Taluk and the Sub Division Officer, Nanjangud have both recommended the prayer of the members for one more chance being given of revival. The members of t h e Bank approached me also, when I visited the Taluk in July last.

In these circumstances, I think this last chance may bring them to their senses and help Government interests. I would therefore suggest that Government orders be obtained for revival of the Bank once again for the last time.

C O P Y.

Sd/ Registrar of C.S.
&
Inspector of Agrl. Banks, in Mysore.

A

Short history of the Chamarajanagar
Agricultural Bank in the Mysore District.

The bank was started in September 1898 and a sum of Rs. 35,000/- was advanced to it by Government in their Order No. 2613-16/R.F.122-97 dated 27th September 1898. Government having noticed certain defects in the management of this bank, a warning was given in their order No. Fl.1630/B.17-05-2 dated the 8th September 1905 to the effect that the entire loan advanced to the bank would be withdrawn, if the arrears of instalments due by the bank were not paid before the 15th October 1905. The bank continued to default and no payment was made before the stipulated time, Subsequently the Deputy Commissioner recommended to Government that as the affairs of the bank were in an unsatisfactory condition, the same might be wound up. The recommendation was approved by Government in their Order No.Fl.300-2/B.17-05-1 dated the 12th July 1906. A month after the passing of this order, the members of this bank presented a petition to Government requesting (i) that the instalments of the Government loan should be reckoned from 1903-1904 instead of 1902-1903 and (ii) that the bank should be revived. The petition having been referred to the Revenue Commissioner for opinion, the latter officer reported to Government that the adoption of coercive measures against the defaulting members may be suspended for some time, which was duly approved by Government in their Order No. Fl. 9025-6/B.32-06-6 dated the 7th June 1907. In spite of this concession, the members continued to remain as callous as ever and the arrears of instalment began to accumulate so much so that a sum of Rs.1231-10-8 became overdue for 1906-07. Repeated warnings were given to the members to clear up their arrears. The warnings have been of no use, the Inspector of Agricultural Banks reported

reported to the Revenue Commissioner in his letter No.240/A.B dated 19th November 1907 that he was not in favor of granting any of the requests of the members as the authorities of the bank had not shewn any vigilence in the matter of recovering the dues from the members. The Revenue Commissioner having concurred with the Inspector in the matter, Government declined to sanction the requests of the members in their Order No. Fl 2886/B.37-07-2 dated 13th December 1907 and they were informed accordingly.

2. The Inspector of Agricultural Banks inspected this bank in May 1908 and a total sum of Rs.3336-6-1 was fixed to be paid by the members before the end of June 1908 which the agent promised to collect and pay. This amount was paid some two months after the stipulated period but the bank was again seen to be in arrears of instalment due for the year 1907-1908 and 1908-1909.

3. This bank has up till now made the marginally noted repayments and there is still a large balance of Rs.17,500-4-0 outstanding against the bank.

Towards Principal.

Up to the end of 1906-07..Rs.9,935-0-0
During 1907-08..Rs.2,555-0-0
Do. 1908-09..Rs.3,467-0-0
Do. 1909-10..Rs.1,542-0-0
Total Rs.17,499-0-0

For Registrar of C. S.
&
Inspector of Agrl.Banks in Mysore.

B.N.S.

073440

1910.

No. 2230

Name of Petitioner— Srinivasa Reddy (Thar alias Dinde Gowda

Village— Chamarajanagar

Taluk— do

District— do

Date of Arzi— 19th September

Date of Receipt— 23d - do

Date of Disposal—

No. of Enclosure— 2

ABSTRACT.

Petitioner is the President of the Sri Krishna Agricultural Bank at Chamarajanagar. He gives details of the amounts due and amounts paid thereon, and asks for time to pay.

the balance

1872

23. 9. 10.

No 2230

Sri Peravali
23.9.10

మ్యాచుంగరు సంస్థాధిపతి శ్రీ వెంకటరామానాయుడు గారికి
ఒడదుద్దారవరపు జ్ఞాపకము—

చాపరుంబు నగరమున శిల్పులకు లక్ష్మీకాంతస్వామి దేవస్థానం వారు శరత్ ప్రతిష్ఠా మహోత్సవ శ్రీనివాసవరదాం బిహారులకు ప్రీతిపూర్వకంగా నుపకారార్థము వ్రాయించిన శాసనము లేవనగా:—

1. ఈ దేవస్థానమును వేంకటకృష్ణ రాజవంశీకులు పరిపాలించిరి. వీరిలో వర్ధమానుడు మొదలు వీరభద్రుడు వరకు పదిమంది రాజులు పరిపాలించిరి. వీరిలో వర్ధమానుడు కట్టించిన దేవాలయమును, వీరభద్రుడు కట్టించిన దేవాలయమును, భైరవేంద్రుడు కట్టించిన దేవాలయమును, వీరభద్రుడు కట్టించిన దేవాలయమును పడిపోయినందున ప్రారంభదశలో నున్నప్పుడు పునరుద్ధరించిరి. ఈ దేవాలయము కట్టుటకు ప్రారంభించిన సంవత్సరము 99 వ ఇనవంశపు రాజుల ఏలుబడిలో నుండెను. ఈ దేవాలయమును కట్టించిన రాజులలో వర్ధమానుడు మొదలుకొని

1 ఉ —

శ్రీ బళ్ళారి వంశోద్భవులూ అనంతశయనం పట్టణ నివాసులూ
సజ్జిద్దీన వద్దనుండే దుబాషీ అనే: —

శ్రీ 19.9.1910 శ్రీ పట్టాభిరామారావు గారు

clear draft

G.R.S. 28.]

File No. 20

Serial No. 3

Diary No. of letter replied to 1198 & 1340

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.

(Bangalore 8

, *the* 19

Date of issue 23-2-11

Signed by W L Narasimhan

READ— again

— 1 — G.O No. H 307-2/B17 -05-11 & 12-7-06 directing the winding up of the Agl Bank Ltd Channarayanapatna as the management of the Bank was found to be very unsatisfactory

2) Letter No 29.8/A B29 & 17-9-10 from the Suspdt of Agl Banks forwarding for orders correspondence relating to the proposal of the Presidents Srinivasa

over

SUBJECT.

Varadachar of the above
Bank for the removal
of the restriction with
the opinion of the Dy
Commr thereon.

3) Petition from Srini-
vasavaradachar, Presi-
dent of the Bank dd.
19.9.10 giving details
of amounts due to
Govt & amounts paid
thereon & praying for
orders permitting the
Bank to transact busi-
ness once again in super-
cession of the order
dd 12.7.06 read above
order thereon

No 38 4457-8
dd 23-2-1910

The Bank was started
in Septr 1898 & a sum
of Rs 35000 was advanced
to it by Govt for trans-
acting business. The
affairs of the Bank

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

Registrars resume

Y

both being dates factory
a warning was given
by Govt. in their order
Dp. No 1630/B.17-05-2 of
8-9-05 to the effect
that the entire Govt
loan advanced to ch
would be recalled upon
the arrears of instalments
fixed at Rs 2916-10-8
per annum were not
paid before 15th oct
1905. As no payment
was made on the re-
commendation of the
Dy Commr before 01
the Bank was directed
to be wound up by order
No 12.7.06. The inspector
later on presented a
petn that the instal-
ments should be counted
as having fallen due
from 1903-04 instead
of 1902-03 which was
rejected. Sri Srinivasa
Varada chari now produced
a treasury certificate
showing payment of

MGCPB—30,000—5-4-05.

Rs 21753- u/s to the 17th Sept 1910 & the instalments are taken by bank from 1902-03 will now only be in arrears to the extent of Rs 1578-5-4 which goes to testify the intention of the members to revive the institution & make a fresh attempt towards working it successfully The Sub Dn officer & the Dy Commr now support the members prayer to have the order of July 1906 rescinded & to permit the Bank to continue working In these circumstances Govt are pleased to accept the recommendation of the Dy Commr in favour of the Bank, and rescind the order of the 12th July 1906 that the Bank be allowed to work accordingly and rescind the order to wind up the bank & recover the entire amount due to Govt from time to time, contained in the proceedings of the 12th July

Ans 31/1/11

4/11/10

4-11-10

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

No 2644/59
§ 23-2-1911

To the Inspector of
Agrl Banks
returning enclosures
" Comptroller
Copy to the Swamiya
Vasudachar, President
of the Chamrajnagar
Agrl Bank. returning
enclo. this date § 19th
8 Sept 1910.

MGCPB—30,000—5-4-05.

G.R.S. 11] 1910.—4

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 22

FILE HEADING.

Annual report on the working of the Agl Banks in the State during 1909-10.

From The Inspector of Agl Banks.

No. 322/A/387 Dated 7.10.10 Received 16.10.10

Diary No. 1830 | Enclos. 5 | Spare Copies | Serial No. 1

BRIEF ABSTRACT OF LETTER.

Forwards the report on the working of the Agl Banks during 1909-10.

NOTES AND ORDERS.

The remarks of the Registrar in paras 2 & 3 of the report regarding the difficulty of collating statistics of these Banks under the Statutions is deserving of notice

NOTES—First sheet

GPB—30,000—3-4-07.

G. R. S. 12]
General and Revenue Secretariat.

B File No. 21 of 1910

Serial No.

The tables now recd relate only to the 10 working Banks of which only 3 can be said to be carrying on the Banking business. They merely collect the annual contributions due to Govt from the members & credit the amount into the Treasury which sums up the total transactions of these institutions.

Paras for the Admn Report are also herewith subd.

Please peruse draft herein.

7.11.10

Draft submitted for sanction.

14.11.10.

Dewan

1/12/10

Draft slightly revised and approved by the Dewan

1.12.10.

27.12.10.

29.12.10

Note—Contn. sheet.

GPB—55,000—27-4-09

G. R. S. 12]
General and Revenue Secretariat.

File No. 22 of 1910.

Serial No.	
2	To the Inspector of Jail Banks & Dy Commrs of 13 Hs " Chowkidhar No. C 3 & 35-44 of 4-1-10 Records the report with certain observations.

Note—Contn. sheet.

GPB—55,000—27.4.09

OFFICE OF THE REGISTRAR OF

CO-OPERATIVE SOCIETIES IN MYSORE.

No. 322/A.B.81
Enclosures. 5 statements in duplicate.

Dated Bangalore, 3rd October 1910.

From

M. Shama Rao, Esq., M. A.
Registrar of Co-operative
Societies in Mysore.
& Inspector of Agricultural Banks

To

C. S. Balasundarum Iyer, Esq., B.A.
Offg. Secretary to the Government of
H.H. the Maharaja of Mysore, Genl.& Rev.
Depts. Bangalore.

Sir,

I have the honor to submit my annual report on the working of the agricultural banks in the State for the official year ended 30th June 1910.

2. As in the previous year, the Amildars and the agents of the several banks were written to, to furnish me with the necessary details for drawing up this report. The information received from them was found to be very inaccurate and it had largely to be supplemented with the information available in my office.

3. The same tables of statistics that accompanied my report of last year have been sent this year also, as the elaborate tables prescribed i n Government Order No.R.2558-66 dated the 10th Decem-ber 1901 could not be accurately prepared on a c-

count

account of want of proper information on various points which it was found, was difficult to obtain from t h e banks in their present condition. The tables, therefore refer to working banks only.

4. WORKING BANKS.

The year under report opened with twenty work -ing agricultural banks and during the year it was found necessary to wind up as many as seven banks as noted in the margin owing to their having fallen in arrears i n the payment of dues to Govern- ment and in one case, owing to the unsatisfactory management of the bank. Besides these - banks, three banks those a t Vitagondankoppa (Kumsi Sub-&& Taluk), Arehada (Sagar Taluk) and Kolgunsi (Sorab Taluk) were voluntarily wound up on account of the Government loan advanced to them having been repaid in full together with the interest due thereon. There were, therefore, at the end of the year only ten banks in working order. They are distributed as follows:-

Salur. Tadagani. Gensinkuni.	Shimoga District.
Seringapatam.	Mysore District.
Turvekere. Lavinkere. Nonavinkere.	Tumkur District.

District.	No. in 1909-09.	No. in 1909-10.
Bangalore.	¥.	¥.
Kolar.	1¥.	1¥.
Tumkur.	7¥	4.
Mysore.	4.	3.
Shimoga.	8.	2.
Hassan.	-	-
Kadur.	-	-
Chitaldroog.	20.	10.
Total.	20.	10.

~~villages sought to be benefited.~~

5. VILLAGES SOUGHT TO BE BENEFITED.

The number of villages sought to be benefited was reduced from 184 to 86 consequent upon the reduction in the number of the working banks.

6. REGISTERED LIMIT OF FUNDS.

The total registered limit of funds of the banks working during the year was likewise reduced to Rs.1,98,385/- as against Rs.2,86,385/- in the previous year.

7. FUNDS HOW OBTAINED.

The main source of the working capital of the banks was, as usual, the loan advanced to them by the Government and this was to a very small extent supplemented by deposits in the case of the marginally noted banks.

Hongenahalli.	~~Malur Taluk.~~ Kolar District.	The total amount of deposits attracted by the banks was only Rs. 9,469-9-9 out of which ---- Rs. 7,359-11-9 was repaid to the members.
Gulur. Ariyur. Haldodderi.	Tumkur ~~Taluk~~ District.	
Palhalli. Kyathanahalli. Nanjangud.	Mysore District.	

8. NUMBER OF MEMBERS.

The total number of members in all the working banks was 265 at the beginning of the year. There was only one case of admission in the Hongenahalli Agricultural Bank (Malur Taluk) and 11 cessations of membership. There were, therefore, only 255 on the roll at the close of the year as against 417 of the previous year.

9. PROPERTY OF MEMBERS.

The total value of the property mortgaged to the several working banks was Rs.1,97,052 as against Rs.5,67,954 of the year previous.

9. RECEIPTS AND DISBURSEMENTS.

The total receipts amounted to Rs.41,362-15-10 and the disbursements to Rs.40,803-12-11 as against --- Rs.80,431-4-4 and Rs.79,687-8-7 of the year previous, respectively. The largest receipts and disbursements were, as usual, in the Palhalli Bank (Seringapatam Taluk) viz., Rs.25,787-2-11 and Rs.25,482-3-0 respectively. The closing balance of all the working banks put together amounted to Rs. 559-2-11.

10. LOANS TO MEMBERS.

During the year under report, a sum of Rs.14,918/- was lent out to members, the repayments amounting t o Rs.20,895-10-10. The corresponding figures for the last year were Rs.35,924-7-10 and Rs.40,332-1-10 respectively. The bank at Rampura in the Kortagere Sub Taluk did n-o business in the year. The general transactions of the banks shew that they are fast failing in business.

11. INCOME OF BANKS.

The only source of income of the banks was the interest received on loans granted to members together with fines and penalties levied by the banks for defaults. ~~ers~~. The total income thus realized was Rs.5,016-0-0 which was mostly utilized for paying the interest due on the Government loan. Very few of the banks have endeavoured to credit systematically year after year a portion of their income to the "Reserve Fund" and there is thus no chance of their continuance after the Government loan is fully repaid. The only banks that have got a reserve of their own worth mentioning, are those at Hongenahalli, Palhalli, Kyathanahalli and Nanjangud.

12. ASSETS AND LIABILITIES.

Statement No. IV appended to this report shews

the financial situation of the working banks as it stood on the 30th June 1910. All the working banks seem to be in a solvent condition their total assets and liabilities being Rs.59,058-6-10 and Rs.52,945-6-7 respectively. The balance sheet of the Ariyur Agricultural Bank in the Tumkur Taluk shows a deficit of Rs.117-2-10. The agent of this bank has been asked to make up this deficit at once.

13. PAYMENT OF INTEREST ON GOVERNMENT ADVANCES.

The subjoined table shews the amount of interest paid during the year both by the working and wound-up banks

	1908-1909.	1909-1910.
Working Banks.	Rs.2,387-2-10.	Rs.1,219-15-3.
Wound-up banks.	Rs.8,813-14-3.	Rs.14,532-12-2.

14. REPAYMENTS OF ~~INTERESTS~~. Instalments.

The subjoined table gives approximately the total amount of instalments paid up to the end of the year, and the balance still due from the several working and wound up banks separately.

Instalments.	Amounts due.	Amount paid.	Amount of balance.
1908-1909.	Rs.6,13,667-10-8	Rs.4,66,368-1-10.	Rs.1,46,699-8-[illegible]
1909-1910.	Rs.6,64,972-5-4.	Rs.5,16,131-13-4.	Rs.1,48,840-8-[illegible]

The amounts of principal paid into the Treasuries by the working and wound-up banks respectively are exhibited below:-

~~Principal~~.	During the year.	Working banks.	Wound-up banks.
Principal	1908-1909.	Rs. 13,301-14-4.	Rs.55,543-4-6.
	1909-1910.	Rs. 7,392-0-0.	Rs.42,371-11-6.

This year the recoveries of Government dues from the several agricultural banks are on the whole satisfactory. Individual members of the banks of the Bangalore District

applied to me for the grant of time and in deserving cases certain concessions were shewn. As a rule, the banks of this District are very slow in making repayments, in spite of my repeated communications to the Deputy Commissioner requesting him to issue strict instructions to the Amildars under him in the matter of adopting timely coercive measures in the case of recalcitrant members. The bank at Sulikunte in the Nelamangala Taluk paid nothing either towards principal or towards interest.

I mentioned in my last year's report that the official liquidator of the Thippenahalli Agricultural Bank and the Amildars of the Kadur and Koppa Taluks were auditing the accounts of the Thippenahalli, Ardikoppa and Sakrepatna banks respectively. This year I am happy to report that through the exertions of the Amildars, the recoveries from the latter two banks are very satisfactory as compared with the figures of last year. The following table shews the amounts of principal and interest paid by them during the year under report:-

	Bank.	Principal.	Interest.
During the year	Ardikoppa.	6,273-14-8.	3,357-11-0.
1909-1910.	Sakrepatna.	1,005- 0-0.	2,017- 8-6.

15. INSPECTION.

I visited the Thippenahalli Agricultural Bank in March last in connection with a petition from the members of the bank praying for ~~mere~~ grant of time addressed to Government. It has been subsequently decided by Government on my report that no further time need be granted. During the year the banks at Ariyur and Hampura in the Tumkur District were inspected by the Sub Divisional Assistant Commissioner.

16. GENERAL REMARKS.

Of the working banks only three - those a t

at Palhalli, Haldodderi and Hongenahalli - may be said to have done some business worth the name; of the 59 agricultural banks started throughout the different parts of the State, as many as 14 banks as noted in the margin have completely paid off the Government loan together with the interest due thereon. None of them except the bank at Nanjangud have attempted to continue their existence chiefly on account of their failure to build up year after year a decent reserve out of the annual profits to provide for the future capital. The Nanjangud bank is, after repaying the Government loan in full, carrying on its transactions with its own reserve which amounts to about Rs.4,565/-. A portion of this amount has, as has already been brought to the notice of the Government, been invested in the purchase of a wet land which the Government have ordered to be sold and the reserve held in cash only. The authorities of the bank however, are unwilling to do so and on the pretext of not finding a suitable sale, have been evading the Government order.

Nanjangud.
Chicknaiknahalli.
Vitagondankoppa.
Nallur.
Somlapur.
Santebannur.
Nyamti.
Issur.
Churchgundi.
Haromuchadi.
Kolgunsi.
Arehada.
Mallapura.
Talya.

I have the honor to be,

Sir,

Your most obedient servant,

H. Channa Rao.

Registrar of C. S.
and
Inspector of Agrl. Banks, in Mysore.

B. N. S.

Clear Draft

G.R.S. 28.]

File No. 21

Serial No. 2

Diary No. of letter replied to 1530

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.

Banking

, the 19

Date of issue 4 January 44

Signed by W K Narasimhaiah

READ—

- Letter No 322/A B81 D 7-10-43 from the Inspector of Agri Banks - - -

is mainly confined ~~are all~~
~~reported to be~~ in a Solvent
Condition though only 3 of them
~~Banks~~ did any business
worth the name. ~~Simultaneously~~
~~of these two were actually~~
able to attract some
~~deposits destroying to the~~
~~increasing confidence~~
~~of the public in these~~
~~institutions~~. The Dy
Commr of the Kolar
Bangalore & Tumkur Dts.
in which these four
surviving Banks are situated
are directed to watch
over them with care & see
that they proceed on pro-
gressive lines. The attention 2
of the Dy Commr Bangalore Dt
is invited to para 14 of
the report regarding re-
-Coveries of Govt dues in
his Dt during the last
year & he is requested to

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

Prompt
take steps ~~immediately~~ for ~~enforcement~~ taking coercive measures in the case of recalcitrant members of the wound up Banks within his jurisdiction.

3 — The Dy Commr Anyone
D.T.O. — ~~Should~~ requested see that the Govt orders on the subject of the reserve being held in cash by the liquidated Bank are given effect to ~~early~~ without further delay

Secretary
14.11.40

To the Inspector of defunct Banks.
" Dy Commrs of D.Ts
" Comptroller